

ASSEMBLY BILL

No. 1095

Introduced by Assembly Member Mullin

February 22, 2005

An act to amend Section 8880.5 of the Education Code, relating to the California State Lottery.

LEGISLATIVE COUNSEL'S DIGEST

AB 1095, as introduced, Mullin. California State Lottery: education finance.

The California State Lottery Act of 1984 establishes a state lottery that, among other things, provides funds to benefit public education. The act specifies that of the total annual revenues from the sale of state lottery tickets or shares, 50% shall be returned to the public in the form of prizes, as specified, at least 34% shall be allocated to the benefit of public education, as specified, and no more than 16% shall be allocated for the payment of expenses of the lottery as described in the lottery act.

This bill make technical, nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 8880.5 of the Government Code is
- 2 amended to read:
- 3 8880.5. ~~Allocations for education:~~
- 4 ~~The~~The California State Lottery Education Fund is created
- 5 within the State Treasury, and is continuously appropriated for

1 carrying out the purposes of this chapter. The Controller shall
2 draw warrants on this fund and distribute them quarterly in the
3 following manner, provided that the payments specified in
4 subdivisions (a) to (g), inclusive, shall be equal per capita
5 amounts:

6 (a) Payments shall be made directly to public school districts,
7 including county superintendents of schools, serving
8 kindergarten and grades 1 to 12, inclusive, or any part thereof, on
9 the basis of an equal amount for each unit of average daily
10 attendance, as defined by law and adjusted pursuant to
11 subdivision (I).

12 (b) Payments shall also be made directly to public school
13 districts serving community colleges, on the basis of an equal
14 amount for each unit of average daily attendance, as defined by
15 law.

16 (c) Payments shall also be made directly to the Board of
17 Trustees of the California State University on the basis of an
18 amount for each unit of equivalent full-time enrollment. Funds
19 received by the trustees shall be deposited in and expended from
20 the California State University Lottery Education Fund, ~~which~~
21 *that* is hereby created or, at the discretion of the trustees,
22 deposited in local trust accounts in accordance with subdivision
23 (j) of Section 89721 of the Education Code.

24 (d) Payments shall also be made directly to the Regents of the
25 University of California on the basis of an amount for each unit
26 of equivalent full-time enrollment.

27 (e) Payments shall also be made directly to the Board of
28 Directors of the Hastings College of the Law on the basis of an
29 amount for each unit of equivalent full-time enrollment.

30 (f) Payments shall also be made directly to the Department of
31 the Youth Authority for educational programs serving
32 kindergarten and grades 1 to 12, inclusive, or any part thereof, on
33 the basis of an equal amount for each unit of average daily
34 attendance, as defined by law.

35 (g) Payments shall also be made directly to the ~~two~~ California
36 Schools for the Deaf, the California School for the Blind, and the
37 ~~three~~ Diagnostic Schools for Neurologically Handicapped
38 Children, on the basis of an amount for each unit of equivalent
39 full-time enrollment.

(h) Payments shall also be made directly to the State Department of Developmental Services and the State Department of Mental Health for clients with developmental or mental disabilities who are enrolled in state hospital education programs, including developmental centers, on the basis of an equal amount for each unit of average daily attendance, as defined by law.

(i) No Budget Act or other statutory provision shall direct that payments for public education made pursuant to this chapter be used for purposes and programs ~~(including workload adjustments and maintenance of the level of service)~~ authorized by Chapters 498, 565, and 1302 of the Statutes of 1983, Chapter 97 or 258 of the Statutes of 1984, or Chapter 1 of the Statutes of the 1983–84 Second Extraordinary Session, *including workload adjustments and maintenance of the level of service.*

~~(j) School districts and other agencies receiving~~ *A school district or another agency that receives* funds distributed pursuant to this chapter may at their option utilize *those* funds ~~allocated by this chapter~~ to provide additional funds for ~~those the~~ purposes and programs prescribed by subdivision (i) for the purpose of enrichment or expansion.

(k) As a condition of receiving ~~any moneys funds~~ pursuant to subdivision (a) or (b), ~~each a school district and a county~~ superintendent of schools shall establish a separate account for the receipt and expenditure of ~~those moneys funds, which and that~~ account shall be clearly identified as a lottery education account.

(l) Commencing with the 1998–99 fiscal year, and each year thereafter, for the purposes of subdivision (a), average daily attendance shall be increased by the statewide average rate of excused absences for the 1996–97 fiscal year as determined pursuant to the provisions of Chapter 855 of the Statutes of 1997. The statewide average excused absence rate, and the corresponding adjustment factor required for the operation of this subdivision, shall be certified to the ~~State~~ Controller by the Superintendent of Public Instruction.

(m) It is the intent of this chapter that all funds allocated from the California State Lottery Education Fund shall be used exclusively for the education of pupils and students and no funds shall be spent for acquisition of real property, construction of

- 1 facilities, financing of research, or any other noninstructional
- 2 purpose.

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